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SUBJECT: City of Duluth and St. Louis County Highlight Student Loan Debt Crisis, Encourages Public Employees to Participate in Public Service Loan Forgiveness Program

BY: Pakou Ly, Public Information Coordinator

**City of Duluth and St. Louis County Highlight Student Loan Debt Crisis,
Encourages Public Employees to Participate in Public Service Loan Forgiveness Program**

[Duluth, MN] - The City of Duluth and St. Louis County announced today they will be proactively providing information to employees about an existing federal Public Service Loan Forgiveness program. Also in attendance at the announcement was State Representative Erin Murphy (DFL-St. Paul), who plans to introduce legislation requiring public sector employers to notify their employees of this loan forgiveness program as a tool to help individuals tackle student loan debt.

The loan forgiveness program is a federal program first announced in 2007 and allows public and 501(c)(3) non-profit organization employees to have federal direct loans forgiven after 10 years of employment and 120 payments. The program was created with the goal of encouraging people to work in public service. Individuals enrolled since the program's inception can apply and benefit from loan forgiveness in 2017.

"Students today are graduating with more debt than any other generation," remarked State Rep. Erin Murphy. "It forces them to delay major life events such as getting married, having families, and buying homes. We must take actions now that will help recent graduates and families who currently have debt, and set a new course to make sure future generations aren't crippled with debt."

Though employers currently are not required to provide this information to employees, the City of Duluth and St. Louis County are being proactive in highlighting this program with the hope that their employees and prospective employees take advantage of the benefit.

"Getting a college education is so important as it presents so many great opportunities to learn, enjoy new experiences and create a new path for your future. But it also presents potential problems: road blocks and barriers that could make attending a four year college difficult. With the ever-increasing cost of tuition, it can be a real challenge of knowing how to pay for that education," Mayor Emily Larson said, "This federal debt forgiveness program is great because it not only encourages graduates to serve their communities by working in public service or for a non-profit, it gives them a path toward being free of their student loan debt. And we know, that when you are not saddled by a mountain of debt, people spend their money, often locally. They buy a home, a car, they shop at a local business and they are more active participants in their community and the economy," she added.

"This is a great program and we are happy to highlight this benefit for our employees and everyone working in public service who are trying to manage the increased costs of a college education," said St. Louis County Commissioner Patrick Boyle. "We work hard to recruit top notch employees because we expect them to deliver high-quality service to our citizens, so this loan forgiveness program is one more incentive we can use in recruiting and retaining staff."

Those eligible for the loan forgiveness program includes all educators, as well as employees of government organizations, emergency services, public health, and 501(c)(3) non-profit organizations. Eligible employees must work 30 hours a week, 8 months of the year and make 120 on-time payments to their federal direct loans. You must also re-enroll every year.

Program information is available at <https://studentaid.ed.gov/sa/repay-loans/forgiveness->

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